



Legislation Details (With Text)

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Attachments: 1. Letter of Intent and Term Sheet Summary NP, 2. Spring Training Letter of Intent NP

Date	Ver.	Action By	Action	Result
3/7/2017	1	City Commission Regular Meeting	motion to approve	Pass
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TO: Honorable Mayor & Members of the North Port Commission

FROM: Jonathan R. Lewis, ICMA-CM, City Manager

TITLE: Spring Training Facility

Recommended Action

Discussion and possible action on a Letter of Intent/Term Sheet with the West Villages Improvement District, the Developer, the Atlanta Braves, the City of North Port, and Sarasota County for the purpose of advancing a new spring training facility.

Background Information

In January of 2017 the Commission authorized the City Manager to join in the negotiations with the County, West Villages Improvement District, the Developer, and the Atlanta Braves for a Spring Training Facility in North Port.

The parties associated with the proposed new spring training facility include Sarasota County, City of North Port, West Villages Improvement District, Manasota Beach Ranchlands, LLLP, Calben (US) Corporation, West Villages, LLLP and the Atlanta National League Baseball Club, LLC (collectively known as the "Parties"). The Letter of Intent (LOI)/Term Sheet is the initial agreement that defines the roles and responsibilities of the Parties and generally defines the planned improvements. The Parties have reached agreement on the terms associated with the Letter of Intent.

Approval of this LOI and Term Sheet is the next step in advancing the necessary documents to proceed with the project and allow for the West Villages Improvement District to timely submit the necessary application for State funding. This LOI and Term Sheet is consistent with what has been shared with the Commission in the past regarding the City's role and commitment.

Financial commitments are provided in the LOI and Term Sheet regarding the City's contributions. The City's participation is limited in this agreement to \$300,000 per year for thirty (30) years. In addition to the City's contributions, State Funding from the Spring Training Retention Fund is \$1,000,000 per year for 20 years and the County's contributions (\$21,262,000) are provided in the LOI and Term Sheet regarding the county's bond proceeds and capital expenditure contributions

(CapX), the source for which is the hotel bed tax (Tourist Development Tax). The West Villages Improvement District would oversee the design and construction of the facility and it would be transferred to County ownership upon completion and for the term of the use of the improvements as a spring training facility.

This is a collaboration that also includes a private contribution up front for Furniture Fixture and Equipment (FFE), an annual facility fee payment and annual CapX contributions from the Team as well as private developer contributions in the form of land, infrastructure, and \$300,000 a year for 30 years. Those contributions are highlighted in the LOI and Term Sheet.

The City's contribution would be conditioned upon the West Villages' receipt of the state funding and the bonding of the project. The LOI and Term Sheet includes a community benefits provision, year round programming of the facility and a commitment to market Sarasota County as a destination. The LOI and Term Sheet is not intended as a complete and final agreement governing these matters, and the Parties intend to execute one or more final agreements, which will serve that purpose. However, the Parties do intend for this LOI and Term Sheet to be binding as to the particular deal points addressed and to bind the Parties to negotiate in good faith to develop and execute one or more final agreements. The individual agreements that require City approval will be brought forward for your review and consideration as they are finalized.

Strategic Plan

Climate for economic growth and community prosperity. Quality of life opportunities.

Financial Impact

The letter of intent defines the City's expenditure impact as \$300,000 per year for 30 years. The expected benefit includes developer, State, Atlanta Braves, and County worth of investment in North Port at approximately \$70,000,000. In addition, the financial impact assumptions include sports tourism opportunities, hotel development and other associated impacts.

Procurement

N/A

Attachments:

1. Summary Letter of Intent and Term Sheet
2. Letter of Intent and Term Sheet

Prepared by: Jonathan Lewis

Department Director: Jonathan Lewis